

# Big Soviet buy of U.S. grain puzzles officials

By Stephanie L. Nall  
and Roger Fontaine  
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A near-record shopping spree of American grain by the Soviet Union in recent weeks has left U.S. officials puzzled over Soviet intentions. American farmers, however, are simply elated at the sudden windfall purchase of over \$600 million of wheat and corn.

U.S. officials have differing answers for the purchase pattern. Some argue the Soviets are taking advantage of current bargains in

U.S. grain to rebuild stockpiles and increase livestock herds.

Other officials who watch military developments more closely than economic theorize the purchases may indicate a military action by the Soviets this autumn.

As support for that theory, State and Agriculture Department officials point to the fact that Soviet military vehicles have been pulled from their traditional use in the grain harvest.

The last time that the Soviets did not use the military vehicles to help

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According to other intelligence sources, Soviet crops are never as good as we think they are, and are never as good as they say they are. Even in good years, these sources say, the Soviets need to supplement. Moreover, after five bad crop years, the Soviet strategic grain supply was badly depleted. That situation was exacerbated by forced shipment of grain to Poland. The result is the current round of purchases by Moscow.

The Department of Agriculture coupled its production forecast with recent export sales reports to estimate that the Soviets would purchase 38 million tons from all countries this marketing year, an increase of 3 million tons from its month-earlier estimate.

That level of imports for all grains is the second highest on record. Of that amount, the department projected that the Soviets would purchase an all-time high of 23 million tons of wheat.

Department analysts say the Soviets are likely to purchase a significant amount of that wheat from U.S. suppliers because there is not much more grain available from South American suppliers. Also, the department noted that shipping schedules at Canadian and European ports already have been nearly filled for the rest of the year.

The CIA's import estimates are even rosier. Sources say CIA believes that even if the Soviets match last year's production levels, they will have to import at least 45 million tons of grain in order to maintain their current rates of increased meat output.

One leader most likely to reap the credit for such an accomplishment would be Mikhail Gorbachev, who has moved swiftly up the Soviet hierarchy. Since the death of Yuri Andropov, he is now thought to be No. 2 to Konstantin Chernenko, general secretary of the Communist Party and chief of state.

Mr. Gorbachev — at 53, the youngest member of the Politburo — has established a reputation for his expertise in agriculture and in the last four years has assumed wide-ranging responsibilities for the entire Soviet economy.

But, because major decisions are believed to be made collectively, U.S. officials say the leadership has apparently opted to spend scarce hard currency to improve diets and thus avoid possible internal unrest.

The Kremlin has never officially withdrawn its well-publicized goal to be self-sufficient in grain production. But even with bad harvests year after year the Soviets have not reversed meat consumption goals. That fact leads at least several Agriculture Department economists to conclude that the Soviets realize that they will have to continue to import a large amount of grain every year.

As further evidence, they point to a new billion-dollar grain port quietly being constructed at Muuga, 60 miles from Helsinki across the Gulf of Finland.

When completed in 1985, the port will be able to handle 30 million tons of grain a year.

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with the harvest was 1968 — the year they invaded Czechoslovakia.

Both Poland and Pakistan have been mentioned by these officials as possible targets of some kind of Soviet military action.

Since the end of June, the Soviet buying binge in the United States has included 1.95 million metric tons of wheat for delivery before the end of September and 2.5 million tons of corn that will be shipped sometime after October 1.

The Soviets finance their grain purchases not through the use of credit but with hard currency — usually from the sale of gold or oil.

The Soviet Union is in the second year of a bilateral grain agreement that commits them to buy at least 9 million tons of wheat and corn annually over the next five years. It can buy an additional 3 million tons without further talks with the United States. The Soviet has been given permission to buy up to 22 million tons this marketing year.

To date, the Soviets have purchased 6.3 million tons of wheat, 416,200 tons of soybeans and 6.05 million tons of corn for the second year. The recent corn purchases count toward the third year.

The Department of Agriculture said earlier this month that the Soviets would harvest about 190 million tons of wheat and feed grains — down slightly from last year's 195 million-ton mark, but still the second largest crop in six years.

Improved weather conditions in the key northern Caucasus grain region had changed the prospects for the overall crop total, grain sources said.

CIA estimates and the U.S. Embassy in Moscow put that figure even higher, according to intelligence sources. They say good weather in Soviet grain growing areas since the middle of June has probably pushed crop production to last year's level — although bad conditions could still imperil yields on corn and other feed grains.

The agency notes that importing that much grain between July and September, would, however, strain the Soviet ports and transportation system.

A third source, the International Wheat Council, also said last week that the Soviets will buy a record amount of grain this year. They put that purchase level at 35 million tons for the 12 months that begin October 1.

The official government aim for this year's harvest is 240 million tons, but Moscow has not achieved its targeted grain output figure since a record 237-million-ton harvest in 1978.

In 1975, the Soviets harvested only 140 million tons of grain. The next three harvest years were relatively good ones, but from 1979 through 1982 Soviet grain production averaged just 177 million tons annually.

Since it was forced to slaughter much of its livestock after the 1975 harvest disaster, the Soviets have worked to rebuild their cattle and hog supplies. They did not significantly reduce those livestock numbers after bad crops in 1981 and 1982, choosing instead to deplete grain supplies in the country.

The Soviet inventory of cattle is now at 98.7 million head; milk cows number 29.9 million head, hog levels are now at 60.1 million head, all about 2 percent above the June 1, 1983 level, the Agriculture Department says.

In addition to the simple explanation that the Soviets want to rebuild grain supplies while U.S. grain prices are depressed because of large crops here, some government sources speculate that Soviet leaders want to increase the per capita consumption of meat.

According to one intelligence estimate, "even in poor harvest years the Soviet Union produces more than enough grain to meet the needs of its people for bread and other grain products." It adds, "the problem is to grow enough feed to maintain livestock herds and expand meat production." It notes that increasing the supply of meat has been "the centerpiece" of the regime's efforts to improve the standard of living since the mid-1960s.

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